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DEPARTMENT OF COMMERCE

International Trade Administration

A-570-937

Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On April 28, 2014, the Department of Commerce (“the Department”) published its Preliminary Results of the 2012-2013 administrative review of the antidumping duty order on citric acid and certain citrate salts from the People's Republic of China (PRC).¹ The period of review (“POR”) for the administrative review is May 1, 2012, through April 30, 2013. This POR covers two producers/exporters of subject merchandise: (1) Yixing-Union Biochemical Co., Ltd. (“Yixing”); and (2) Laiwu Taihe Biochemistry Co., Ltd. (“Taihe”). We invited interested parties to comment on our Preliminary Results. Based on our analysis of the comments received, we made certain changes to our margin calculations for Taihe. The final dumping margins for this review are listed in the “Final Results” section below.

DATES: Effective Date: (insert date of publication in the Federal Register).

FOR FURTHER INFORMATION CONTACT: Krishna Hill or Maisha Cryor, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4037 or (202) 482-5831, respectively.

¹ See Citric Acid and Certain Citrate Salts from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012-2013, 79 FR 23322 (April 28, 2014) (Preliminary Results), and accompanying Preliminary Decision Memorandum.

Background

On April 28, 2014, the Department published its Preliminary Results. On May 28, 2014, Petitioners requested a hearing.² Additionally, on May 28, 2014, Yixing requested an opportunity to participate should a hearing be requested by Petitioners.³ Based on these hearing requests, on September 3, 2014, the Department held a closed hearing limited to issues raised in case briefs and rebuttal briefs. We received case briefs from Yixing, Taihe, and, Archer Daniels Midland Company, Cargill, Incorporated, and Tate & Lyle Ingredients Americas, Inc. (collectively, “Petitioners”) on June 4, 2014.⁴ Additionally, on June 12, 2014, we received rebuttal case briefs from Yixing, Taihe, and Petitioners.⁵ Taihe resubmitted its rebuttal case brief after redacting certain untimely arguments on June 21, 2014.⁶

Scope of the Order

The products covered by the order include the hydrous and anhydrous forms of citric acid, the dihydrate and anhydrous forms of sodium citrate, otherwise known as citric acid sodium salt, and the monohydrate and monopotassium forms of potassium citrate.⁷ Sodium citrate also includes both trisodium citrate and monosodium citrate, which are also known as citric acid

² See Letter from Petitioners to the Department regarding, “Citric Acid and Citrate Salts from the People’s Republic of China: Petitioners’ Hearing Request and Request for a Closed Session,” dated May 28, 2014.

³ See Letter from Yixing to the Department regarding, “Hearing Request of Yixing-Union Biochemical Co., Ltd.: Citric Acid and Certain Citrate Salts from the People’s Republic of China,” dated May 28, 2014.

⁴ See Letter from Yixing to the Department regarding, “Citric Acid and Certain Citrate Salts from the People’s Republic of China (A-570-937)- Case Brief of Yixing-Union Biochemical Co., Ltd.,” dated June 4, 2014; see also Letter from Taihe to the Department regarding, “Citric Acid and Citrate Salts from the People’s Republic of China: Case Brief,” dated June 4, 2014; see also Letter from Petitioners to the Department regarding, “Citric Acid and Certain Citrate Salts From The People’s Republic Of China/Petitioners’ Case Brief,” dated June 4, 2014.

⁵ See Letter from Yixing to the Department regarding, “Citric Acid and Certain Citrate Salts from the People’s Republic of China (A-570-937)- Rebuttal Brief of Yixing-Union Biochemical Co., Ltd.,” dated June 12, 2014; see also Letter from Petitioners to the Department regarding, “Citric Acid and Certain Citrate Salts From The People’s Republic Of China / Petitioners’ Rebuttal Brief,” dated June 12, 2014.

⁶ See Letter from Taihe to the Department regarding, “Citric Acid and Citrate Salts from the People’s Republic of China: Rebuttal Brief,” dated July 21, 2014.

⁷ See “Issues and Decision Memorandum for the Final Results of the 2012-2013 Antidumping Duty Administrative Review: Citric Acid and Certain Citrate Salts from the People’s Republic of China” from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, issued concurrently with this notice (“Issues and Decision Memorandum”), for a complete description of the Scope of the Order.

trisodium salt and citric acid monosodium salt, respectively. Citric acid and sodium citrate are classifiable under 2918.14.0000 and 2918.15.1000 of the Harmonized Tariff Schedule of the United States (“HTSUS”), respectively. Potassium citrate and crude calcium citrate are classifiable under 2918.15.5000 and 3824.90.9290 of the HTSUS, respectively. Blends that include citric acid, sodium citrate, and potassium citrate are classifiable under 3824.90.9290 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.⁸

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/>. The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

⁸ See Citric Acid and Certain Citrate Salts from Canada and the People’s Republic of China: Antidumping Duty Orders, 74 FR 25703 (May 29, 2009).

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our Preliminary Results, we revised the margin calculation for Taihe.⁹ We made the following changes to the margin calculation for Taihe.

- We changed the surrogate value used to value Taihe's paperboard packing material.
- We recalculated Taihe's by-product offset for corn feed based on corn consumption.

Final Results

We determine that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-Average Dumping Margin (Percentage)
Yixing-Union Biochemical Co., Ltd.	6.80
Laiwu Taihe Biochemistry Co., Ltd.	3.08

Assessment Rates

The Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of these final results of this review. In accordance with 19 CFR 351.212(b)(1), we are calculating importer- (or customer-) specific assessment rates for the merchandise subject to this review. For any individually examined respondent whose weighted-average dumping margin is above de minimis (i.e., 0.50 percent), the Department will calculate importer- (or customer)-specific assessment rates for merchandise subject to this review. Where appropriate, we calculated an ad valorem rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to

⁹ See Memorandum to the File regarding, "Fourth Administrative Review of the Antidumping Duty Order on Citric Acid and Certain Citrate Salts from the People's Republic of China: Analysis of the Final Results Margin Calculation for Laiwu Taihe Biochemistry Co., Ltd.," dated October 27, 2014; see also Memorandum to the File regarding, "Final Results of the Fourth Administrative Review of Citric Acid and Certain Citrate Salts from the People's Republic of China: Surrogate Value Memorandum," dated October 27, 2014.

that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting ad valorem rate against the entered customs values for the subject merchandise. Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise.¹⁰ We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above de minimis. Where either the respondent's weighted-average dumping margin is zero or de minimis, or an importer-specific assessment rate is zero or de minimis, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department announced a refinement to its assessment practice in non-market economy ("NME") cases.¹¹ Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the NME-wide rate (i.e., 156.87 percent).¹² For a full discussion of this practice, see Assessment in NME Antidumping Proceedings.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC

¹⁰ See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101, 8103 (February 14, 2012).

¹¹ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011) ("Assessment in NME Antidumping Proceedings").

¹² See Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011-2012, 79 FR 101 (January 2, 2014).

entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act): (1) for the exporters listed above, the cash deposit rate will be the rate listed for each exporter in the table in the “Final Results” section of this notice; (2) for previously investigated or reviewed PRC and non-PRC exporters that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled a separate rate, the cash deposit rate will be the rate of the PRC-wide entity established in the final determination of the less than fair value investigation (i.e., 156.87 percent); and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department’s presumption that reimbursement of antidumping duties has occurred and that subsequent assessment of doubled antidumping duties.

Administrative Protective Order (“APO”)

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing this administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

October 27, 2014
Date

Appendix – Issues and Decision Memorandum

Summary

Background

Scope of the Order

Discussion of the Issues

Issues

Comment 1: Differential Pricing

Comment 1.A: Consideration of an Alternative Comparison Method in an Administrative Review

Comment 1.B: Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Less-Than-Fair-Value Investigations

Comment 1.C: Denial of Offsets for Non-Dumped Sales When Using the Alternative Average-to-Transaction Comparison Methodology

Comment 1.D: Differential Pricing Analysis: Taihe

Comment 1.E: Differential Pricing Analysis: Yixing

Comment 2: Surrogate Value for Packing Material

Comment 3: Surrogate Value for International Freight

Comment 4: Surrogate Value for Brokerage and Handling

Comment 5: Whether the Department Should Deny the Corn Feed By-Product Offset Claimed by Taihe

Comment 6: Whether the Department Should Apply Adverse Facts Available to Yixing

Comment 7: Whether to Grant Yixing a By-Product Offset

Recommendation

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